



FISCAL MEMORANDUM

SB 161 - HB 455

March 21, 2021

SUMMARY OF ORIGINAL BILL: Creates the Psychology Interjurisdictional Compact Act to authorize and regulate telepsychological practice across state lines. Authorizes temporary, in-person, face-to-face psychology services for 30 calendar days within a year in a state in where a psychologist is not licensed to practice psychology.

Defines a "Home State" as the Compact State where a psychologist is licensed to practice psychology. Defines a "Distant State" as the Compact State where a psychologist is physically present to provide temporary, in-person, face-to-face psychological services. Defines a "Receiving State" as the Compact State where the client/patient is physically located when the telepsychological services are delivered.

Requires a Home State's Psychology Regulatory Authority to investigate and take appropriate action, when inappropriate conduct by a licensee practicing telepsychology which occurred in a Receiving State is reported, in the same manner as it would if such conduct had occurred within the Home State. In such cases, the Home State's law is used in determining any adverse action against a psychologist's license.

Requires a Distant State's Psychology Regulatory Authority to investigate and take appropriate action, when inappropriate conduct engaged in by a psychologist practicing under Temporary Authorization Practice which occurred in that Distant State is reported, in the same manner as it would if such conduct had occurred within the Home State. In such cases, Distant State's law is used in determining any adverse action against a psychologist's Temporary Authorization to Practice.

Establishes the Psychology Interjurisdictional Compact Commission (Commission) to govern and oversee the practice of telepsychology and temporary practice of psychology in all Compact States. Requires one voting representative be appointed by each state. Authorizes the Commission to levy and collect an annual assessment from each Compact State to cover the costs of the operations, activates and staff in its annual budget as approved each year. Requires the Commission to secure adequate funding for and prior to incurring any obligation. Establishes that this Compact will become effective on the date which the Compact is enacted into law in the seventh Compact State.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$8,400/FY21-22 and Subsequent Years/
Board of Examiners in Psychology

Other Fiscal Impact – Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board of Examiners in Psychology had an annual surplus of \$4,356 in FY18-19, an annual surplus of \$67,976 in FY19-20, and a cumulative reserve balance of \$1,135,286 on June 30, 2020.

SUMMARY OF AMENDMENT (005491): Adds language to the original bill such that the only substantive changes is to add the *Psychology Interjurisdiction Compact Act* to the list of governmental entities that will terminate on June 30, 2023.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- As of January 21, 2021, 14 states have enacted legislation to establish a Psychology Interjurisdictional Compact. The Compact started accepting applications July 1, 2020.
- Passage of this legislation will authorize psychologists to obtain and maintain a license in other Compact States while authorizing the Home State to continue to regulate their licensees and authorize the Receiving and Distant States to know who is practicing in their state and in what capacity without requiring psychologists to obtain and maintain a license in every Compact State.
- The Board of Examiners in Psychology will pay an annual assessment, in conjunction with other Compact states, to join the Compact and cover the operations and activities of the Psychology Interjurisdictional Compact Commission. The estimated annual fee is \$6,000 in authorization fees for licensees and \$2,400 for Association of State Provincial Psychology Board (ASPPB) assessment fee. The total increase in fees to participate in the Compact is estimated to be \$8,400 (\$6,000 + \$2,400).
- The proposed legislation will require the health-related boards to investigate reports of inappropriate conduct that occurred in a Receiving State by a psychologist licensed in this state as well as reports of inappropriate conduct that occurred in this state by a psychologist licensed in another state but practicing in this state under the Temporary Authorization Practice.
- Based on information provided by the Department of Health (DOH), the proposed legislation can be accommodated within existing resources.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board of Examiners of Psychology had an annual surplus of \$4,356 in FY18-19, an annual surplus of \$67,976 in FY19-20, and a cumulative reserve balance of \$1,135,286 on June 30, 2020.
- At the December 5, 2019 Board of Medical Examiners in Psychology meeting, a majority of the Board voted in favor of endorsing the Psychology Interjurisdictional Compact.

- Any impact on state expenditures resulting from adding the Compact to the list of entities scheduled to terminate on June 30, 2023 will be not significant. It is assumed that the Compact will be extended past the scheduled termination date.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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